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City of Detroit

CITY COUNCIL

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TO: The Honorable City Council

FROM: David Whitaker, Director
Legislative Policy Division Staff

DATE: November 17, 2014

RE: **REVIEW OF CONTRACTS AND PURCHASING FILES**

Attached is the list of contracts and purchase orders recommended by the Finance Department, Purchasing Division for the Regular Session of November 18, 2014. All items on this list are included on the City Council Agenda for November 18, 2014 to be referred to the appropriate Standing Committee for review and report back to the City Council.

The comments and review of the Legislative Policy Division staff are printed in bold following the contracts.

Attachment

cc:	Janice Winfrey	City Clerk
	Mark Lockridge	Auditor General
	Palencia Mobley	Mayor's Liaison
	Boysie Jackson	Purchasing Division
	Irvin Corley	Legislative Policy Division
	Marcell Todd	Legislative Policy Division

Statistics compiled for the list of Contracts and Purchases submitted for referral on November 18, 2014.

Department	No. of Contracts or Purchase Orders	Detroit-Based Business Bids	Change, Extension Increases, Renewals	Located in Detroit
Finance-Grants Mgt 2 Personal Services contracts approved by Chief Financial Officer and Reported to the City Council; Funded through Quality of Life Bond.	2	0	0	1
General Services	2	0	1 Extension	0
Law 1 Contract for State Lobbying services	1	0	1 Extension	0
Municipal Parking 1 Contract with Detroit Building Authority for Capital Program	2	0	1 Extension	2
Plan. & Developmt.	1	0	1 Extension	1
Police 1 Lease for 3-year period	2	0	0	1
Totals	10	0 Detroit-Based Business Bids	4 Extensions	5

The Honorable City Council
Contracts and Purchase Orders - Statistics
Items Submitted for Referral November 12, 2014

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This list represents expenditures totaling \$ 11,065,037.22¹

Included in the total costs are the following:

City General Fund	\$ 870,000.00
Quality of Life Fund	\$ 112,200.00
Drug Law Enforcement Fund	\$ 291,268.00
Parking Operating Fund	\$ 9,683,569.22 ²
Special Housing Rehab. Fund	\$ 108,000.00

¹ This list includes: Extensions of current contracts for 9 months to 16 months; New contracts for terms of 3 years, 5 years and one-time purchases; Personal Service contracts for 1 year.

² Funds indicated to result from 1998 DBA Parking and Arena Revenue bonds that were redeemed.

TO: THE HONORABLE CITY COUNCIL

FROM: David Whitaker, Director
Legislative Policy Division Staff

DATE: November 17, 2014

RE: **CONTRACTS AND PURCHASE ORDERS SCHEDULED TO BE CONSIDERED AT
THE FORMAL SESSION OF NOVEMBER 18, 2014**

GENERAL SERVICES

2865980 100% City Funding – To Provide Repair Services for Heavy Duty Trucks and Related Work – Contractor: All Type Truck & Trailer Repair, Inc., Location: 23660 Sherwood, Warren, MI 48091 – Contract Period: November 1, 2014 through October 31, 2015 – Contract Amount: \$0.00

This contract is for extension of time only. Original amount \$156,800.00

Costs budgeted to General Fund, Acct. 1000-470100-006004-622100-12153-0-A4510, Appropriation for Fleet Management includes available funding of \$9,875,382 as of Nov. 14, 2014.

This request is for a 1 year extension of this contract, from Nov. 2014 through October 2015. No additional funding is requested for the extended period.

This contract was approved July 17, 2012, for a term of 2 years, through June 30, 2014 for a cost of \$156,800 over the 2 year term. This was the only bid received from the 7 bids solicited.

Costs include: \$49 per hour for repair services; Towing at a flat rate of \$150 per tow; Parts cost include a 20% mark-up from the contractor's cost. A 60-day warranty included with all parts and services.

Costs do not change for this extended period.

The Policy Division has no record of an extension of this contract from July 2014 through October 2014 (4 month period); this extension is to begin on Nov. 2014.

Contract checklist, dated Nov. 7, 2014, indicates the contract extension is required for repairs and to ensure availability of City-owned Heavy Trucks.

Covenant of Equal Opportunity Affidavit signed 10-31-14;

TAXES: Good Through 1-31-15 and 1-15-15;

Hiring Policy Compliance Affidavit signed 10-31-14, Employment Application submitted complies;

Slavery Era Records Disclosure Affidavit signed 10-31-14, indicating business established 1972, no records to disclose.

General Services Department - continued

2900588 100% City Funding – To Provide Repair Service, Labor and/or Volvo Equipment – Contractor: Alta Equipment Co., Location: 28775 Beck Road, Wixom, MI 48393 – Contract Period: November 1, 2014 through October 31, 2017 with two (2) one-year renewal options – Contract Amount: \$150,000.00

Costs budgeted to General Fund, Acct. 1000-470100-006004-622100-13152-0-A4510, Appropriation for GSD Street Maintenance Garage includes available funding of \$1,684,354 as of Nov. 14, 2014.

4 Bids solicited, 1 Bid received for services and parts to repair/maintain Volvo-manufactured equipment. This vendor is indicated to be the exclusive dealer for Volvo Equipment in the State of Michigan,

This proposed contract is for a term of 3 years. Costs include: Labor at \$105 per hour; Road Service at \$120 per hour; Towing/hauling at \$200; Parts provided with a 5% discount from the manufacturer's price list.

Contract checklist, dated Nov. 12, 2014, indicates this contract is required to ensure repairs, for the specific equipment, are provided timely on City Vehicles.

Covenant of Equal Opportunity Affidavit signed 11-6-14;

TAXES: Good Through 11-6-15 and 5-6-15;

Hiring Policy Compliance Affidavit signed 11-6-14, Online Application appears to comply;

Slavery Era Records Disclosure Affidavit signed 11-6-14, indicating business established 1984, no records to disclose.

Previous contract for parts and repair services for Volvo equipment was approved, April 2010, with VIP Truck Center (2816556) for the Water & Sewerage Dept. for a term of 3 years, through March 31, 2013, for a cost estimated at \$150,000.

City Council recently approved a contract for the purchase of a Volvo model, Asphalt Paver (No. 2872435) March 2014, for \$289,364, with Alta Equipment Company.

LAW

2754725 100% City Funding – State Lobbyist – To Represent the City on behalf of its Legislative Program at the State Level and to Permit Subcontracting of certain services if approved in advance and in writing by the Corporation Counsel – Contractor: Governmental Consultant Services, Inc., Location: 120 N. Washington Square, Suite 110, Lansing, MI 48933 – Contract Period: May 1, 2014 through April 30, 2016 – Increase Amount: \$360,000.00 – Total Contract Amount: \$2,816,000.00

This contract is for extension of time and increase of funds. Original amount \$2,456,000.00
Costs budgeted to General Fund, Acct. 1000-320045-000137-613100-11860-0-A5020, Appropriation for State Legislative Services includes available funding of \$180,000 (*budgeted for current fiscal year*) as of November 14, 2014.

This request is for an extension of this contract through April 30, 2016.

The contract was initially approved Feb. 5, 2008, for a term of 3 years, through December 31, 2010, for a cost of \$1,506,000 (\$502,000 per year).

The 1st amendment to the contract was approved Oct. 18, 2011, extending the contract 3 years, through Dec. 31, 2013, with an increase of \$600,000 (\$200,000 per year).

The 2nd amendment to the contract was approved Sept. 10, 2013, extending the contract 1 year, through Dec. 31, 2014, with an increase of \$350,000 to a total of \$2,456,000.

The proposed request for an extension through April 30, 2016, is for 1 year and 4 months, with an increase to the total contract of \$360,000. *However, the contract does indicate this is an extension of 2 years, from May 1, 2014 through April 30, 2016; It is not clear how, or why the expiration date of the contract was changed.*

Contract services remain the same: To represent the City on behalf of its legislative program at the State level; Be available for consultation with the Mayor and City Council; Analyze and evaluate pending legislation affecting Detroit and other cities in the State. Contractor to act as the principal governmental affairs spokesperson for the City of Detroit in the State legislative arena.

The costs for the services of Primary Lobbying Support are indicated to be a maximum monthly amount of \$15,000 for an Annual cost of \$180,000. The increase of \$360,000 is indicated to be for 2 years.

Contract checklist, dated Nov. 4, 2014, indicates the contract is essential for required services; if services were provided by an Attorney on staff, it may present a conflict of interest.

Covenant of Equal Opportunity Affidavit signed 2-4-14;

TAXES: Good Through 3-17-15 and 12-30-14;

Hiring Policy Compliance Affidavit signed 2-5-14, Employment Application submitted complies;

Slavery Era Records Disclosure Affidavit signed 2-4-14, indicating no records to disclose.

MUNICIPAL PARKING

2869879 100% City Funding – To Provide Boot and Towing Services Citywide – Contractor: Pickup & Run Auto Recovery, Location: 15900 Grand River, Detroit, MI 48227 – Contract Period: October 1, 2014 through September 30, 2015 – Contract Amount: \$0.00

This contract is for extension of time only. Contract Amount: \$116,650.00

Costs budgeted to General Fund, Acct. 1000-340083-000144-617900-00102-0-A3570, Appropriation for Parking Violations Bureau includes available funding of \$2,958,463 as of Nov. 14, 2014.

This request is for a 1-year extension of the contract, through Sept. 30, 2015; No Additional funding is requested for the contract services.

The contract was 1 of 3 contracts approved for the Municipal Parking Dept. Boot and Tow program. *The other 2 contractors are Bobby's Towing, No. 2869882, and Breakthrough Towing, No. 2869860; the contract with Bobby's Towing was recently submitted for an extension, through November 30, 2015, for \$146,800 and approved Sept. 16, 2014 – No additional funding was requested; the contract with Breakthrough Towing was also submitted for an extension, through Sept. 30, 2015, for \$116,500 and approved Oct. 28, 2014 – No additional funding was requested.*

This contract was initially approved Nov. 13, 2012 to provide towing services for 1 year, through Oct. 31, 2013, for a costs of \$50 per tow, for a total cost of \$50,000. The contract was renewed for 1 year, through September 30, 2014 – approved May 13, 2014, with an increase of \$66,650 to a total of \$116,650.

This request is for an Extension of 1 year; with no additional funding requested to the \$116,650.

Services and rates charged are indicated to remain the same for the extension period; Towers are required to provide services from 7 AM to 10 PM; towers are required to respond within 20 minutes from the point of dispatch. Booted vehicles are towed to the City Impound Lot.

Contract checklist, dated Nov. 10, 2014, indicates the extension of this contract is essential to provide for vehicles, authorized to be booted by Municipal Parking, to be towed to the City of Detroit Impound Lot, for unpaid parking violations.

Covenant of Equal Opportunity Affidavit signed 9-26-14;

TAXES: Good Through 11-5-15 and 1-15-15;

Hiring Policy Compliance Affidavit signed 9-26-14, Employment Application submitted complies;

Slavery Era Records Disclosure Affidavit signed 9-26-14, indicating no records to disclose.

Municipal Parking Dept. - continued

2897127 100% City Funding – To Provide a Lease Contract between the MPD and DBA for Renovations and Improvements to MPD Facilities and Replacement of MPD Parking Meters in the City of Detroit – Contractor: Detroit Building Authority (DBA), Location: 1301 Third Street, Suite 328, Detroit, MI 48238 – Contract Period: July 31, 2014 through June 30, 2019 – Contract Amount: \$9,683,569.22

Costs budgeted to Parking Operating Fund, Acct. 5102-340401-000145-617900-13912-0-0, Appropriation Name not identified, but indicated to include funds of \$9,683,569.22 as of Nov. 14.

According to the minutes of the Building Authority, Board of Commissioners meeting, the DBA redeemed the Series 1998A Detroit Building Authority Parking and Arena Revenue bonds on behalf of the City and the Municipal Parking Dept. The surplus proceeds from the redemption of the bonds are recommended to be used for various capital improvements and for the parking meter replacement program.

The proposed contract is to encumber the \$9,683,569.22 for various Capital Improvements and for the Parking Meter Replacement Program.

The Municipal Parking Dept. facilities were identified to include: Eastern Market Garage, Grand Circus Garage, and Joe Louis Arena Garage, which have all been included in the settlements with City creditors, as part of the Bankruptcy proceedings.

City Council may wish to request clarification and additional details on the Capital Improvement program, projects to be included, estimated expenditures for each facility, in addition to further details on the Parking Meter Replacement program.

There was also discussion of potential contracts for Privatizing the Municipal Parking Services.

City Council may wish to request assurance, if this proposed contract indicates that Municipal Parking services will continue to be provided by the City.

This contract was approved by the Detroit Building Authority Board of Commissioners on July 31, 2014.

No Clearances or Affidavits are required for contracts with other Governmental units or Government agencies.

The Detroit Building Authority Board of Commissioners have authorized contracts, as part of the \$500,000 contract between the Building Authority and Municipal Parking, for Capital Improvements for the City Impound Lot at 5997 Caniff. Contract approved with Facility Improvements for \$48,000 for architectural/engineering services in March 2014; Contract approved with White Construction for \$434,834 for renovations that include New lot lighting, Security cameras, New Modular Building, Fencing repair and replacement, New Gate Motor and Controls.

PLANNING AND DEVELOPMENT

2881158 100% Federal Funding – Program Administrator – To Provide Home Investor Compliance Monitoring Program – Contractor: National Consulting Services, LLC, Location: 20620 West Warren, Detroit, MI 48228 – Contract Period: April 1, 2012 through December 31, 2014 – Increase Amount: \$108,000.00 – Contract Amount: \$324,000.00

This contract is for an increase in funds. The original amount: \$216,000.00

Costs budgeted to Special Housing Rehab. Programs Fund, Acct. 4620-360976-000795-651120-05537-0-A3050, Appropriation for Investor Owned Rehabilitation includes available funding of \$1,802,683 as of November 14, 2014.

This request is for a 9-month extension of the contract, through Dec. 31, 2014, and an increase in the contract costs by \$108,000.

The contract was submitted and approved the Week of August 5, 2013, for a 2-year term from April 1, 2012 through March 31, 2014, for a cost of \$216,000.

Contractor to provide services as the Program Administrator for the HOME Investor Compliance Monitoring Program, which includes: Maintain guidelines and procedures to monitor, review and perform scheduled on-site inspections of HOME-assisted rental housing, to ensure compliance with household housing costs, household income guidelines, and Section 8 Housing Quality Standards, including procedures to comply with lead-based paint requirements for rental homes.

Frequency of inspections is determined by the number of HOME-assisted units in a project – projects with 1 to 4 HOME-assisted units are monitored once every 3 years; projects with 5 to 25 units are monitored once every 2 years; projects with 26 units or more are monitored every year.

In units that include lead-based paint, owners are required to inform occupants on the danger of lead-based paint, inspect the paint annually, repair all unstable paint. Owners are also required to inspect and ensure the operation of smoke detectors, appliances, plumbing, electricity, foundation, floors, ceilings and walls, are all sound and free from hazardous defects.

Costs for the period from April 1, 2012 through March 31, 2014 were based on monthly costs not to exceed \$9,000. This cost included a 10% reduction in hourly rates, requested by the City.

Beginning April 1, 2014 through December 31, 2014, shall not exceed \$12,000 per month, for the increase of \$108,000 for the Total Contract Cost of \$324,000.

Contract Checklist, received Nov. 7, 2014, indicates this contract is essential for services that are mandated by HUD.

Covenant of Equal Opportunity Affidavit signed 5-14-14;

TAXES: Good Through 7-18-15 and 1-15-15;

Hiring Policy Compliance Affidavit signed 5-16-14, Employment Application submitted complies;

Slavery Era Records Disclosure Affidavit signed 5-16-14, indicating business established 2007, no records to disclose.

Department indicates these services have been contracted for the past 20 years, since the HOME program was initiated.

POLICE

2900455 100% City Funding – To Provide Six (6) GMC Yukon Trucks – Contractor: Red Holman GM Truck Co., Location: 35100 Ford Road, Westland, MI 48185 – Contract Amount: \$291,268.00

This contract is for a One Time Purchase

Costs budgeted to Drug Law Enforcement Fund, Acct. 2601-370760-000167-00648-0-A1083, Appropriation for Enhanced Drug Enforcement Program includes available funding of \$4,658,039 as of November 14, 2014.

6 bids solicited, 3 Bids received on Open Market for the purchase of 6 vehicles, indicated to replace older vehicles or vehicles that are in disrepair.

This recommendation is for a purchase agreement with Red Holman GM Truck for the purchase of: Four (4) 2015 Yukon xl 1500 (cloth seating) for \$45,597 each; and Two (2) 2015 Yukon Sport Utility Vehicles (leather seating) and Navigation System for \$54,440 each.

According to the Vendor, the pricing is the same as offered through MiDeal.

Other bids received include: Ray Laethem for \$307,929.72; Suburban Ford of Waterford for \$322,305.

Contract checklist, dated Nov. 7, 2014, indicates this purchase is required to replace vehicles that are older and/or are in disrepair.

Covenant of Equal Opportunity Affidavit signed 11-5-14;

TAXES: Good Through 11-5-15 and 5-8-15;

Hiring Policy Compliance Affidavit signed 11-5-14, Employment Application submitted complies;

Slavery Era Records Disclosure Affidavit signed 11-5-14, indicating business established 2001, no records to disclose.

Police Dept. - continued

2897616 100% City Funding – To Provide a Three (3) Year Lease Renewal/Extension for Space at 7800 Dix Road, Detroit, MI 48209 – Contractor: The Realty Company, Inc., Location: 2411 Vinewood, Detroit, MI 48226 – Contract Period: January 18, 2014 through January 17, 2017 – \$10,000.00 per month – Contract Amount: \$360,000.00

Costs budgeted to General Fund, Acct. 1000-370677-0-626400-00119-0-0, Appropriation for Support Services Bureau includes available funding of \$27,332, 828 as of November 14, 2014.

This contract is to continue the lease of this facility at 7800 Dix Road, which includes 38,000 square feet of office space and 14,000 square feet of exterior parking lot space. The proposed lease is for a term of 3 years, through January 17, 2017. It was previously indicated that this facility used by 148 Police Dept. personnel.

City Council may wish to inquire if any of the personnel based at this facility have been moved to the new Public Safety Headquarters.

The cost for this lease is, as indicated above, \$10,000 per month, for a total of \$360,000 over 3 years. The Owners/landlord pays for electrical, telephone and all janitorial services, including landscaping and removal of all rubbish, dirt, snow and ice.

The Officers of The Realty Company are: Gasper Giiore, Jennifer Fiore, Joan Fiore and Jessica Lucas.

Contract checklist, dated July 16, 2104, indicates this lease is essential for use by the Department for offices and the storage of vehicles.

Covenant of Equal Opportunity Affidavit signed 4-29-14;

TAXES: Good Through 11-13-15 and 12-30-14;

Hiring Policy Compliance Affidavit signed 4-29-14; Business indicates they have no employees, nor anticipate hiring any employees;

Slavery Era Records Disclosure Affidavit signed 4-29-14, indicating business established 1994, no records to disclose.

The lease of this structure and parking began in July 13, 2001 (Contract 2551749) was approved for a 10-year term, through July 13, 2011, for a cost of \$4,082,264 – began at \$34,018.87/month for a total of \$408,226.40 the first year; the lease may have included additional space, indicated to include 22,583 sq. feet of office space and 39,904 sq. feet of warehouse space, average cost of \$6.53 per square feet. The lease also provided for Landlord improvements to the property estimated at \$700,000.

A lease extension was approved (July 2011) for 6 months, through January 17, 2102, with an increase of \$230,990.82 (\$38,498.47 per month).

Contract 2854480, approved May 1, 2012, was for a 2-year lease agreement, through Jan. 17, 2014, for 38,000 sq. feet of office space and 14,000 additional square feet of parking space for \$240,000 (\$10,000 per month). The proposed lease continues these same terms.

PERSONAL SERVICE CONTRACTS

The following contract was approved by John Hill, Chief Financial Officer per Executive Order 41 and reported to City Council on Agenda of November 18, 2014

FINANCE/OFFICE OF GRANTS MANAGEMENT

86996 100% City Funding – Grants Specialist – To Provide Grant Management Support – Contractor: Denise L. Moore, Location: 43050 Twelve Oaks Crescent Drive #2044, Novi, MI 48377 – Contract Period: October 13, 2014 through October 12, 2015 – \$26.44 per hour – Contract Amount: \$55,000.00

Costs budgeted to Quality of Life Fund, Acct. 3100-350065-0-617903-13824-0-0, Cost Center for Grants Management includes available funding of \$763,680 as of Nov. 12, 2014.

As indicated above, this contract has been approved by the Chief Financial Officer, as provided by Emergency Manager Order No. 41; this contract is being reported to the City Council for your information.

Contract services as Grants Specialist includes: Obtain grant-related data and reports from City departments and place all gathered information into the centralized grants management system; Ensure contract compliance for delivery of goods and/or services, and invoices submitted; Monitor project progress, flag priority tasks for department personnel; Follow-up on stalled procurements; Verify completeness of backup materials for payment or reimbursement; Ensure compliance with grant reporting requirements; Assist in identifying strategic grant opportunities; Use the Grants Management System for program and financial management efficiency.

Ms. Moore was most recently employed as the Human Resources manager for all non-academic matters in the Office of the Dean, College of Arts and Letters, Michigan State University in 2011; served as chief research administrator, previewing all outgoing research proposals for the Associate Dean of Research.

From 2006 through 2010, served as General Manager of the Dept. of Atmospheric, Oceanic and Space Sciences at University of Michigan, assisting with planning, special projects/initiatives supporting approx. 50 academic and research faculty.

TAXES: Good Through 10-27-15 and 1-15-15.

The Honorable City Council
Contracts and Purchase Orders Submitted for Referral
on November 18, 2014

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Finance/Office of Grants Management, Personal Service Contract

The following contracts were approved by John Hill, Chief Financial Officer per Executive Order 41 and reported to City Council on Agenda of November 18, 2014

86997 100% City Funding – To Serve as Project Manager in the Office of Grants Management
– Contractor: Aisha Taylor, Location: 300 Riverfront Drive, Apt 8B, Detroit, MI 48226
– Contract Period: October 6, 2014 through December 31, 2015 – \$55.00 per hour –
Contract Amount: \$57,200.00

Costs budgeted to Quality of Life Fund, Acct. 3100-350065-0-617903-13824-0-0, Cost Center for Grants Management includes available funding of \$763,680 as of Nov. 12, 2014.

As indicated above, this contract has been approved by the Chief Financial Officer, as provided by Emergency Manager Order No. 41; this contract is being reported to the City Council for your information.

Contract services as Project Manager to include: Close old, non-active grant accounts and establish new fund class for grant awards; Monitor new accounts to ensure the new processes are fully implemented, and not negatively affected by the historical system of accounting for grant awards; Mapping grant-funded personnel to the payroll system; Facilitate information and meetings between outside consultants, Office of Grants Management and City department leadership; Monitor the timely delivery of requested information, work with consultants and City staff to identify and resolve any roadblocks to achieving overall goal.

Ms. Taylor began working in 2014 in Finance Dept. to Manage grants accounting clean-up project; From 2012 to 2014, Ms. Taylor worked in Purchasing Finance for General Motors Corporation; began working for General Motors in 2008.

TAXES: Good Through 10-27-15 and 1-15-15.